

**STATEMENT**

**OF**

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**BEFORE THE**

**HOUSE COMMITTEE ON TRANSPORTATION AND  
INFRASTRUCTURE**

**TUESDAY, FEBRUARY 22, 2010  
10:00 A.M.**

**2167 RAYBURN HOUSE OFFICE BUILDING**

Thank you, Mr. Chairman, Ranking member, and members of the Committee for the opportunity to testify before your committee today. I'd like to give you a quick summary of what we plan to do, where we are today, and where we plan to go over the course of the coming year. Amtrak was, as you know, a recipient of nearly \$1.3 billion in American Recovery and Reinvestment Act of 2009 (ARRA) grant funding, and our company has been striving to put this money to work. As I speak, more than \$1 billion worth of projects are underway, and I expect that when the deadline arrives in February 2011, we will have completed such important projects as the replacement of all or a significant part of eight bridges, the improvement and repair of 38 Amtrak facilities and 270 stations, and the return of 81 stored or wreck-damaged cars and 15 diesel locomotives to service.

Throughout the process, we have had one overarching priority: to create jobs. With this in mind, we also pursued three important but subsidiary objectives. First, we have aimed to ensure we get the best possible value for our money. Second, we have tried to get as much as possible done within the allotted time. Third, we have tried to make the spending process as transparent as possible, so the public can see and understand what we're doing and where we're doing it.

The Federal Railroad Administration has approved more than 99% of the total funding, and we expect to make the bulk of our outlays in 2010. This is going to be our big year – the work season will open in March, and once it does, you will see a lot of money flowing into major projects such as bridge replacements, maintenance facilities and station improvements. As the

contracts have gone out for bid, there has been some fluctuation in our project list, as bids come in above or below the expected level, and projected work durations vary. We are reporting to and meeting with the FRA on a weekly basis, and contacting them far more frequently as we work through the grant and contracting processes. About 49% of the funding has gone into Northeast Corridor projects, while the remaining 51% has been distributed across our national system. As of February 3, we have awarded 371 ARRA contracts, with a total dollar value of \$709.4 million.

We have also invested in our fleet. Our Mechanical Department intends to return a total of 81 cars and 15 locomotives to service with ARRA funding, and the first rehabilitated car rolled off the line at our shops in Bear, Delaware on July 13, not quite five months to the day after the President signed ARRA into law. When this program is complete, we will have added enough equipment for roughly ten additional trains, with several engines to spare – ten trains that will allow us to grow revenue and add ridership.

Amtrak has already added more than 600 full time equivalent (FTE) positions as a result of ARRA. We have already put a lot of these employees straight to work on tasks that will improve the reliability and capacity of the Amtrak system. Our workforce has replaced switches, ties and rail in our yard in Niles, Michigan, and we have been clearing brush and deadfall and cutting back overhanging trees along all three divisions of the Northeast Corridor. Trees and tree limbs falling on wires have long been a problem – they cause circuit breakers to trip and delay trains. The cleanup program has combined with other ongoing efforts to reduce the number of

incidents that affect our electric traction system. Cleanup of this kind is long overdue, and has contributed to improvements in our train performance. We have been able to use ARRA money to extend the lease on a second track laying machine, which we are using to replace deteriorated concrete ties on the Northeast Corridor.

Another important part of this year's story is stations. For many of the 270 station projects we're undertaking, we will be doing major work this year. Many of these projects will be station improvements associated with our "Mobility First" program of station accessibility that includes \$38 million of ARRA funding. In all, we will invest a total of \$144 million from all funding sources in FY 2010 to address the compliance of our stations with the Americans with Disabilities Act of 1990. For too long, the lack of funding greatly hindered our ability to make station improvements. In about five years, however, we expect all stations to be ADA compliant and in a state of good repair. Major station improvement projects in Wilmington, Delaware and Sanford, Florida are already underway – and are on schedule, and within budget. Many of these projects are discrete efforts without the burden of complex construction work, and they are ideal projects for small businesses – and they are spread all over the country. I would note that 45% of the contracts we have awarded to date have gone to small businesses. We have laid the groundwork for a productive year, and I am confident our workforce and our business partners will bring the work in on time.

I want to close by noting that we have created more than 600 jobs in our own workforce, and we are putting them to work building much-needed capacity and infrastructure improvements. This

process has helped us prepare for the larger projects that we expect to undertake in the future, and it has helped us to build a better and more transparent railroad.